

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NEW YORK**

In re:

DIAMOND FINANCE CO., INC.

Debtor.

Chapter 7

Case No. 8-20-71877 (REG)

**ORDER (A) GRANTING MOTION OF THE CHAPTER 7 TRUSTEE SEEKING AN  
ORDER OF CONTEMPT AND SANCTIONS AGAINST MARCOS BENZAQUEN; (B)  
APPROVING FORM OF NOTICE; (C) APPROVING FORM OF ORDER  
COMPELLING ARREST AND DETENTION; AND (D) SCHEDULING A STATUS  
CONFERENCE**

Upon the motion dated October 20, 2020 [Dkt. No. 127] (the “Motion”) of Marc A. Pergament, as Chapter 7 trustee (the “Trustee”) of Diamond Finance Co., Inc., for entry of an order under section 105(a) of title 11 of the United States Code (the “Bankruptcy Code”) and Rules 9016 and 9020 of the Federal Rules of Bankruptcy Procedure holding Marcos J. Benzaquen (“Benzaquen”), having a place of business of Diamond Cars R Us in at 707 Hempstead Turnpike Franklin Square, New York 11010, in contempt thereof, imposing sanctions, and compelling Benzaquen to comply with the Trustee’s subpoena, issued pursuant to the Court’s June 12, 2020 Order directing the production of documents and oral examination of Benzaquen; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and venue being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and there being due and sufficient notice of both the Motion and the Mail Subpoena; upon the arguments and representations of counsel at the hearing on the Motion conducted on November 9, 2020; and after due deliberation and sufficient cause appearing therefor and based on the foregoing; it is hereby

**ORDERED**, that the Motion is GRANTED on the terms set forth herein; and it is further

**ORDERED**, that Benzaquen is hereby held in contempt for his failure to comply with the Mail Subpoena (as defined in the Motion); and it is further

**ORDERED**, that Marcos Benzaquen is hereby sanctioned in the amount of \$500.00 per day, accruing from the date of this Order and until he fully complies with the Mail Subpoena; and it is further

**ORDERED**, that within one (1) business day of the date of this Order, Olshan Frome Wolosky LLP (“Olshan”) as Special Counsel to the Trustee is hereby directed to: (i) execute and upload to the Docket in this Case an executed letter to Benzaquen substantially in the form of Schedule 1 hereto advising him of the relief granted herein; and (ii) send the letter by email, regular mail and Federal Express to Benzaquen at the addresses set forth in the letter; and it is further

**ORDERED**, that unless Benzaquen appears in this Case within seven (7) days of this Order – with or without counsel – to offer an explanation for his refusal to comply with the Mail Subpoena or respond to the Motion, this Court shall direct the United States Marshal Service to detain Benzaquen into physical custody and cause him to be incarcerated in a federal facility until he is released by the Court upon his compliance with the Mail Subpoena. Should Benzaquen not timely comply then Olshan, upon the expiration of such 7-day period, shall upload with the Clerk a proposed Order substantially in the form of Schedule 2 hereto directing such detention; and it is further

**ORDERED**, that this Order is without prejudice to the Trustee seeking further relief on account of Benzaquen’s contempt, including but not limited to reimbursement of fees and costs, and it is further

**ORDERED**, that the parties shall appear for a telephonic status conference on December 7, 2020 at 9:30 a.m. Eastern Standard Time and parties are directed to register for such conference via Court Solutions as further set forth at:

<https://www.nyeb.uscourts.gov/sites/nyeb/files/Court-solutions-registration-instructions.pdf>.

**Dated: Central Islip, New York  
November 10, 2020**



A handwritten signature in black ink, appearing to read "Robert E. Grossman". The signature is fluid and cursive, written over a horizontal line.

**Robert E. Grossman  
United States Bankruptcy Judge**